

FY 2013 TRIBAL BUDGET RECOMMENDATIONS TO THE U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES

Budget Formulation Workgroup Presenters:

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DHHS Hubert Humphrey Building, Washington, DC

Promises of Justice, Health & Prosperity...

OUR VISION

Eliminate disparities for all
American Indian / Alaska Native
people

OUR COMMON GOAL

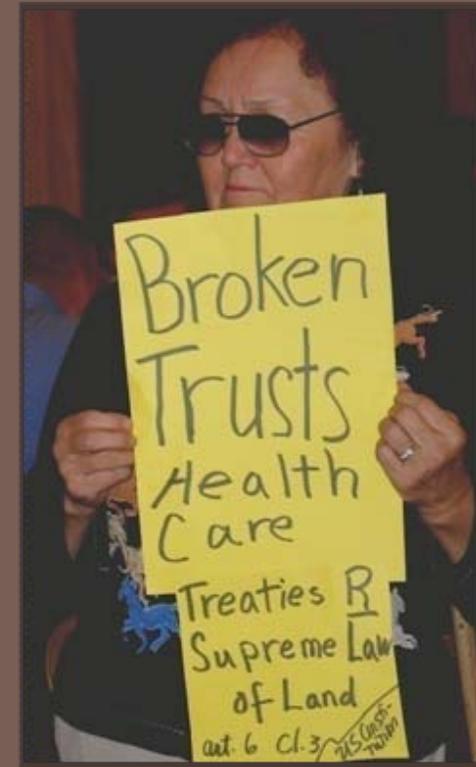
To fully fund the Indian Health
System at \$22.1B



Promises of Justice, Health & Prosperity...

Legal Basis for Federal Services

- ❑ United States Constitution
- ❑ The Snyder Act of 1921
- ❑ The Transfer Act of 1954
- ❑ Indian Sanitation Facilities and Services Act of 1959
- ❑ The Indian Self-Determination and Education Assistance Act (enacted 1975)
- ❑ Indian Health Care Improvement Act of 1976
- ❑ The Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986
- ❑ The Indian Child Protection and Family Violence Prevention Act of 1990



Our Health Care Priorities

FY2013



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FY 2013 Tribal National Health Care Priorities

1. Behavioral Health/ Mental Health
Alcohol & Substance Abuse/
Family Violence
2. Diabetes/Chronic Disease
3. Cancer
4. Health Promotion / Disease
Prevention/ Obesity
5. Heart Disease/ Stroke /
Cardiovascular Disease



FY 2013 Tribal National Health Care Priorities

6. Maternal Child Health/Child Adolescent Health
7. Dental
8. Injuries/Injury Prevention
9. Elder Health
10. Long Term Care

Our Budget Recommendations

FY2013



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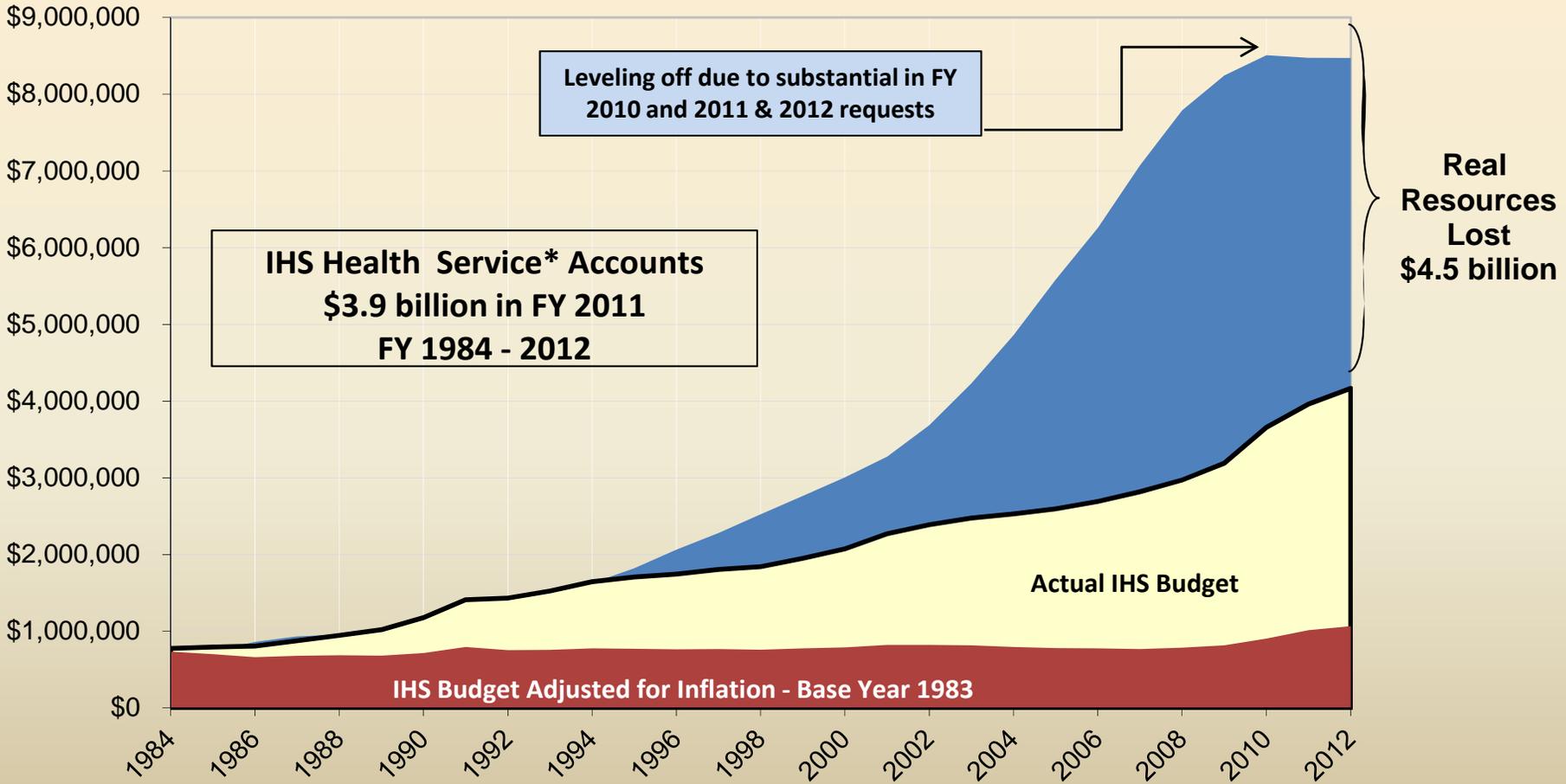
FY 2013 Tribal Top Budget Recommendations

1. Hold Indian health programs harmless and protect prior year and proposed FY2011 and FY2012 increases from budget roll-backs, freezes and rescissions

Historical and Continued Funding Disparities

- ▣ Diminished purchasing power
- ▣ Underfunded medical inflation
- ▣ Underfunded binding obligations

Diminished Purchasing Power - A Twenty-five Year Look at the IHS Health Services Accounts: Actual expenditures adjusted for inflation and compared to lost purchasing power when adjusted for inflation and population growth. (Fiscal Years 1984 to 2012)



IHCIA Section 826

§ 1680p. Annual budget submission

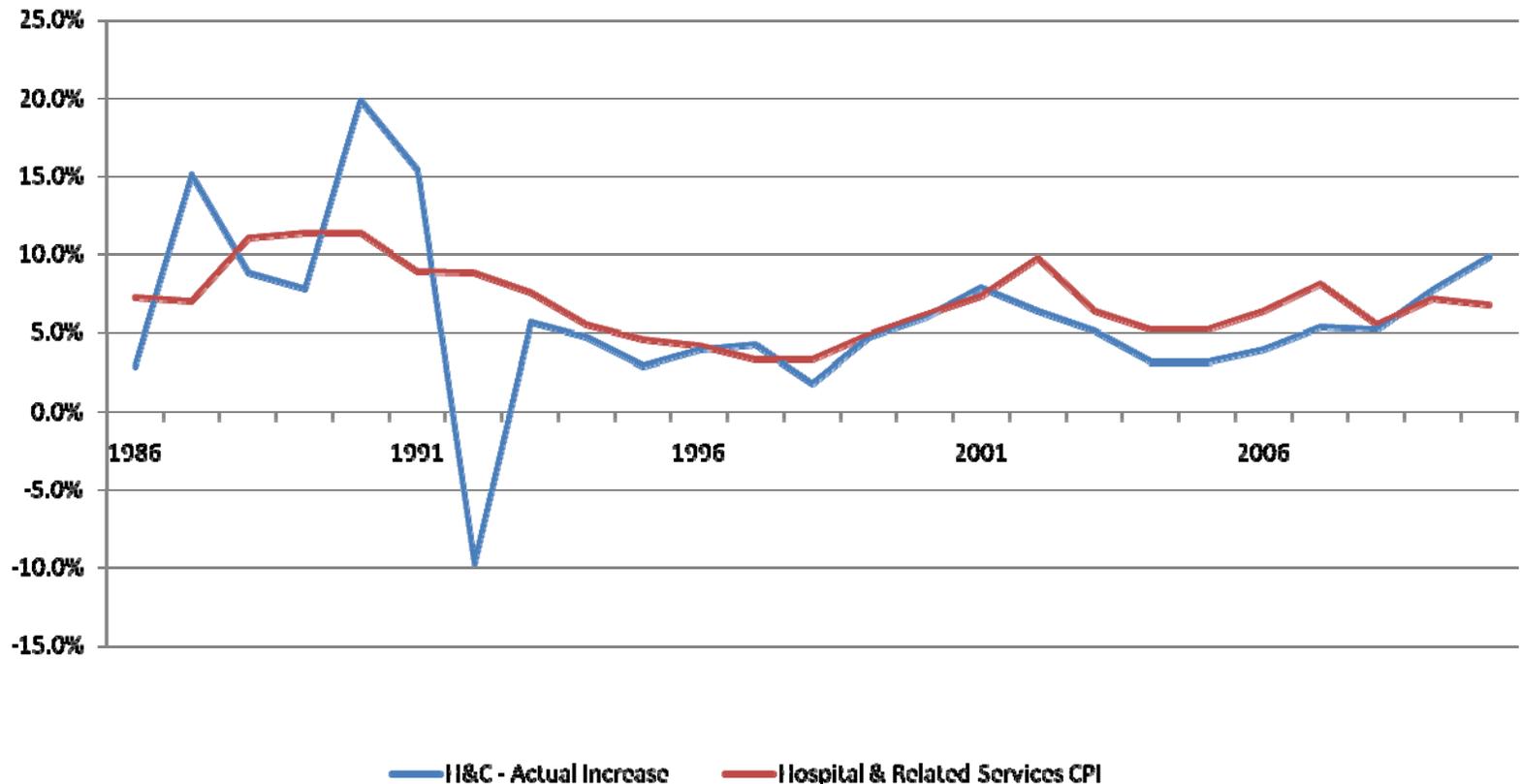
“Effective beginning with the submission of the annual budget request to Congress for fiscal year 2011, the President shall include, in the amount requested and the budget justification, amounts that reflect any changes in-

- (1) the cost of health care services, as indexed for United States dollar inflation (as measured by the Consumer Price Index); and
- (2) the size of the population served by the Service.”

U.S. Code, Title 25, Chapter 18

Comparing IHS Hospital & Clinic increase to CPI Hospital Services Inflation

**Hospital & Clinics Line Item
1985 - 2010**



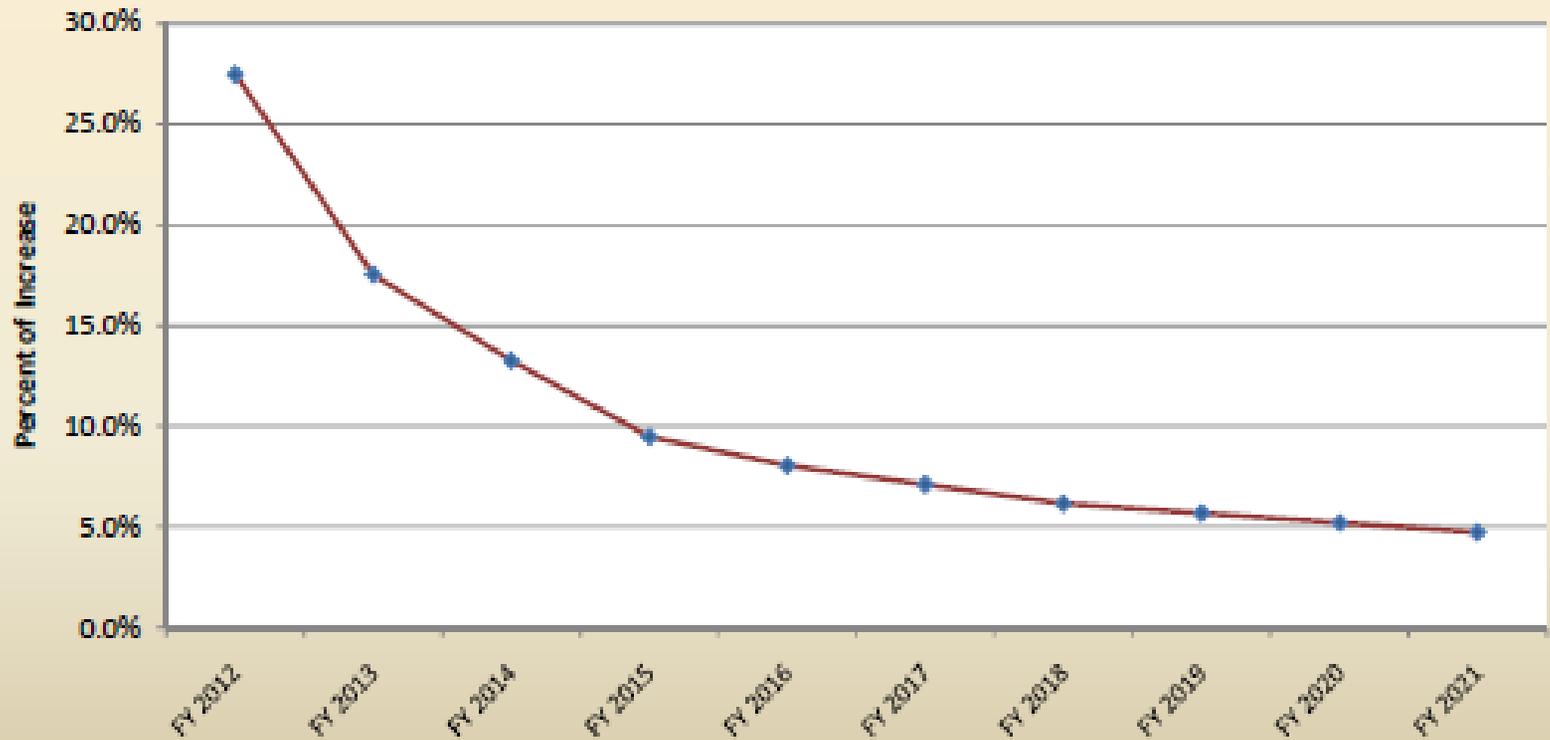
FY 2013 Tribal Top Budget Recommendations

2. Fully fund the IHS Total Need of \$22.1 Billion over the next ten years

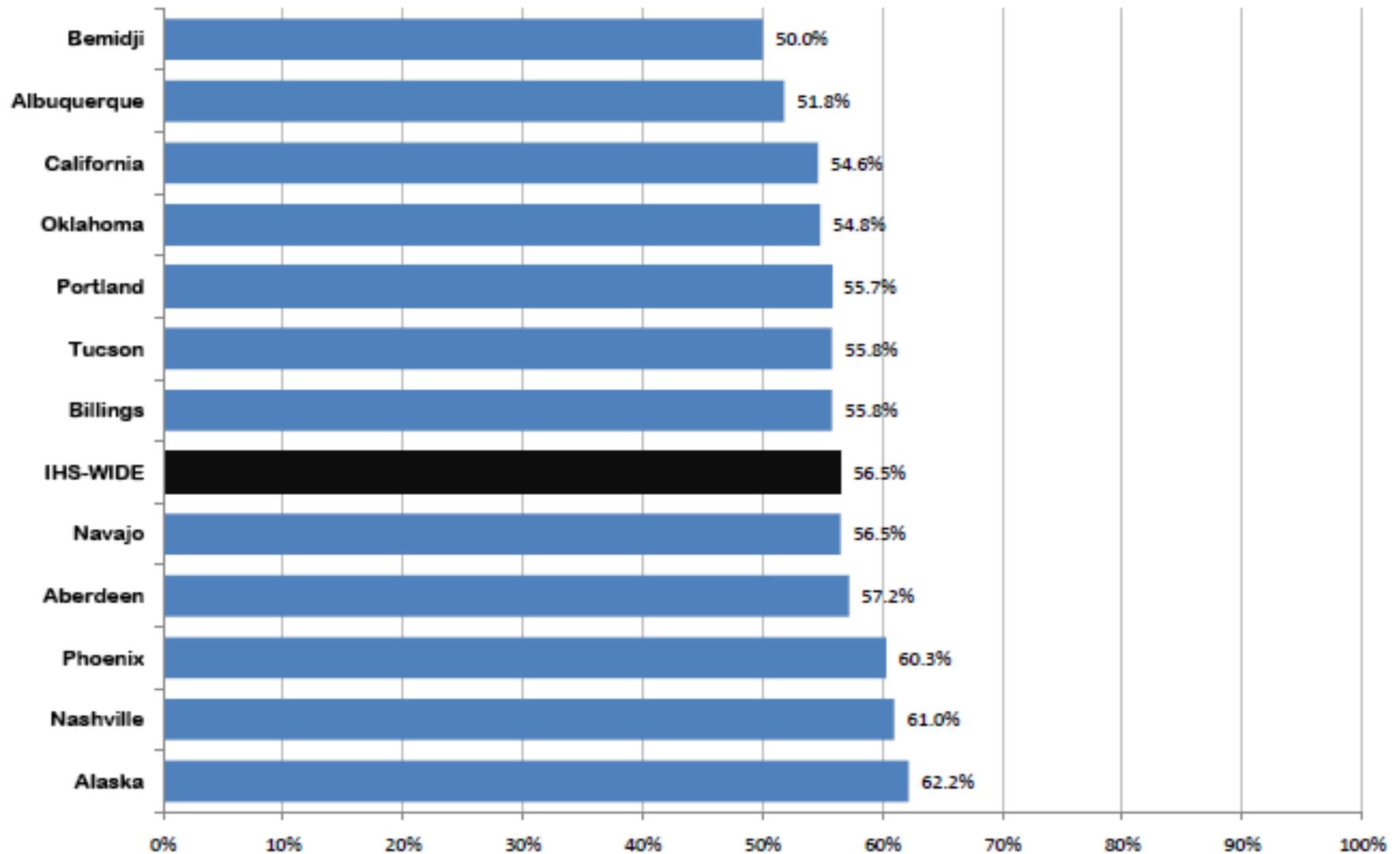
This amount includes funding for:

- ▣ Personal health services
- ▣ Community & public health services
- ▣ Health facilities & sanitation
- ▣ Contract support costs

Percent of Increase Required to Achieve Full Funding in 10 Years - \$22.1 Billion



Average LNF Score for IHS AREAS - FY 2010



FY 2013 Tribal Top Budget Recommendations

3. Fully Funding Current Services, including binding obligations, is a Fundamental Budget Principle.

Failure to Fund Current Services:

- ❑ Equates to a breach of the trust and commitment to adequately resource Indian programs
- ❑ Severely compromises access to care and quality of services
- ❑ Weakens the partnership with Tribes

Direct Patient Care Suffers!

FY 2013 Tribal Top Budget Recommendations

4. Commit to fully fund the IHS FY2013 increase of \$1.431B over FY2012 President's Budget Request (Total \$6.054B)
 - ▣ Current Services & Binding Obligations
 - ▣ Program Expansion Increases - Services
 - ▣ Program Expansion Increases – Facilities

Our Budget Priorities

FY2013



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FY 2013 Tribal Budget Recommendations

Current Services & Binding Obligations	Recommended
Federal & Tribal Pay Costs	\$24,352,000

- 1.4% increase for both Federal and Tribal employee pay cost
- Exempt members of the Commissioned Corps and all Tribal and Federal IHS employees from any pay freezes that may be imposed through FY2013.

FY 2013 Tribal Budget Recommendations

Current Services & Binding Obligations	Recommended
Inflation (Medical & Non-Medical)	\$59,977,000

- Based on 1.5% non-medical inflation rate and 3.3% medical inflation rate identified by OMB. Actual inflation is higher meaning fewer services can be provided. “Don’t get sick after June”
- Current CPI is 9% for inpatient and 5% for outpatient
- IHS rates should be adjusted for parity among HHS OPDIVs

FY 2013 Tribal Budget Recommendations

Current Services & Binding Obligations	Recommended
Population Growth	\$52,466,000

- Addresses the increased service need arising from the growth in the AI/AN population which is increasing at an average rate of 1.3%

FY 2013 Tribal Budget Recommendations

Current Services & Binding Obligations	Recommended
Staffing for New/Replacement Facilities	\$50,000,000

- Supports staffing and operating costs for new and expanded facilities scheduled for FY2013
- Will require adjustment to cover the total staffing requirement for actual facilities completed

FY 2013 Tribal Budget Recommendations

Current Services & Binding Obligations	Recommended
Contract Support Costs – Shortfall	\$212,592,000

- ISDEAA requires IHS fully reimburse tribal contractors for CSC necessary to carry out federal contracts.
- Absent full funding, tribes are forced to reduce direct services.
- Present shortfall = 2,100+ lost clinical positions

FY 2013 Tribal Budget Recommendations

Current Services & Binding Obligations	Recommended
Health Care Facilities Construction 5-yr Plan	\$343,596,000

- To fund previously approved construction projects in accordance with the IHS Health Care Facilities FY2012 Planned Construction Budget (5-year plan)
- May need to be adjusted based on actual project status

FY 2013 Tribal Budget Recommendations

Program Increases	Recommended
Services	\$621,230,000

- Hospitals & Clinics - \$219,170,000
 - IHCIF - \$45,000,000
 - Health Information Technology - \$30,000,000
 - Maternal Child Health - \$6,500,000
 - Health Promotion / Disease Prevention - \$30,000,000
 - Diabetes / Cancer / Heart Disease - \$32,000,000
 - New/Expanded (local priorities) - \$75,670,000

FY 2013 Tribal Budget Recommendations

Program Increases	Recommended
Contract Health Services (inc. CHEF)	\$230,000,000

- Contract Health Services - \$200,000,000
 - Purchases an additional 9,657 inpatient services, 367,356 outpatient services and 13,359 one way transports.
- Catastrophic Health Emergency Fund - \$30,000,000
 - In previous years CHEF funds have been exhausted prior to the end of the fiscal year. IHClA decreases the CHEF threshold from \$25k to \$19k – which will increase demand.

FY 2013 Tribal Budget Recommendations

Program Increases	Recommended
Contract Support Costs – New/Expanded	\$12,000,000

- Covers CSC requirements related to new and expanded P.L 93-638 contracts

FY 2013 Tribal Budget Recommendations

Program Increases	Recommended
Targeted Increases for Top Health and Budget Priorities	\$160,000,000

- Dental - \$21,000,000
- Mental Health - \$40,000,000
- Alcohol / Substance Abuse - \$40,000,000
- Public Health Nursing - \$12,600,000
- Health Education - \$11,400,000
- Community Health Reps - \$15,400,000
- Urban Health - \$7,500,000
- Indian Health Professions - \$3,300,000
- Tribal Management - \$660,000
- Direct Operations - \$8,200,000

FY 2013 Tribal Budget Recommendations

Program Increases	Recommended
Facilities	\$66,800,000

- Maintenance & Improvement - \$11,500,000
- Sanitation Facilities Construction - \$10,700,000
- Health Care Facilities Construction Authorities - \$10,400,000
- Small Ambulatory - \$4,500,000
- Youth Regional Treatment Centers - \$3,300,000
- Facilities & Environmental Support - \$20,000,000
- Injury Prevention - \$2,600,000
- Equipment - \$1,800,000
- Ambulance - \$2,000,000

Promises of Justice, Health & Prosperity...

Permanent Reauthorization of the Indian Health Care Improvement Act

- Continued Consultation Required to Address Provisions of the Indian Health Care Improvement Act
- Of the over 80 amended or new IHClA authorities, many are seen as potential opportunities for Indian health programs to expand the range of health care services.
- These opportunities align with the Director's priority to improve the quality of and access to care.

**Let us put our minds together and see what life
we can make for our children** **Chief Sitting Bull**

